CONTINGENCY PLAN
DIVISION OF FEDERAL EMPLOYEE COMPENSATION

Table of Contents

TABLE OF CONTENTS

LIST OF TABLES

1. INTRODUCTION

Contingency planning allows for the development of alternatives and work around procedures in the event of disaster or partial failure. Preparation for implementation of alternative work processes before a crisis situation occurs facilitates immediate response for recovery. Planning involves a disciplined analysis of the business processes, the identification of threats, a risk assessment of those threats, and the development and dissemination of procedures for providing interim support or service.

The United States General Accounting Office (GAO) has mandated that "every federal agency must ensure the continuity of its core business processes by identifying, assessing, managing, and mitigating its year 2000 risks". The ADP (Automated Data Processing) Coordination and Control Branch is responsible for development of a contingency plan for the Division of Federal Employee Compensation (DFEC).

DFEC has assessed the impact of potential year 2000 (Y2K) induced disruptions to internal business processes, client agencies, and claimants. DFEC has identified three core business processes and the mission critical systems supporting each. The threats to the core business processes have been assessed and quantified as has the level of tolerance for each failure.

A Y2K compliance project has been established to assess all systems and to identify software that is not Y2K compliant. All DFEC systems will be certified for data processing in the twentieth and twenty-first centuries by March 1999. However, DFEC remains vulnerable to failures in systems and service providers outside DFEC's control; government agencies, business partners, and public infrastructure. Alternatives will be further investigated. Contingency plans will be fully tested by October 1999 assuring continuity of core business processes.

2. PURPOSE

The purpose of this plan is to ensure the continuity of DFEC's core business processes in case of system failure due to problems in recognizing and processing dates in the year 2000. This plan identifies and assess Y2K risks and documents plans for risk management and mitigation.

3. ASSUMPTIONS

- Y2K Test Plans are being developed for all DFEC systems. Testing and regression testing will have been successfully completed by March 1999.

- A test database will be established on a dedicated Sequent computer with the internal clock set to the year 2000. All Y2K testing will be performed using this test machine.
- DFEC will solicit Disaster Recovery and Contingency Plans from suppliers and supporting agencies.

- DFEC will review and provide feedback on Disaster Recovery Plans, Y2K Implementation Plans, and Test Plans developed by suppliers and supporting agencies.

- All application software and data will be put on tape on December 31, 1999.

- Dedicated resources will be available and Contingency Plans immediately implemented in case of failure on January 3, 2000.

4. METHODOLOGY

- Create a Contingency Planning Team with representation from all organizations responsible for implementation of the core business processes.

- Create working groups as needed for detailed analysis and planning.

- Verify that core processes and services are completely identified.

- Identify all software systems developed or under development in support of the core business processes.

- Monitor the status of Y2K testing of each system.

- Determine the level of service needed in each of the core business areas during the period of system failure.

- Identify and prioritize risks of failure for those systems needed to provide service and support of DFEC's customers.

- Develop contingency alternatives in accordance with the best estimates of projected duration of the failures.

- Document alternative processes and determine personnel, equipment, and training needed for implementation.

- Develop a management and communications reporting structure.

5. ORGANIZATION

The DFEC Contingency Management Team is made up of the following:

Deputy Director, Division of Federal Employee Compensation
Chief, ADP Coordination and Control Branch
OWCP Regional Directors
OWCP District Directors

This team and supporting staff are responsible for development of contingency plans, communications and training, and the management and implementation of alternatives in case of failure.

5.1 Deputy Director, Division of Federal Employee Compensation

Assesses threats to DFEC operations
Assures that contingency plans have been developed
Approves Contingency Plans
Directs overall implementation of contingency plans in case of failure

5.2 Chief, ADP Coordination and Control Branch

Assures systems are Y2K compliant
Assesses threat and risk
Assures backup processes are in place
Coordinates implementation of contingency plans

5.3 OWCP Regional Directors

Assesses threats to regional sites
Assures that regional contingency plans are in place
Assures that regional back-up systems are in place
Directs implementation of contingency plans at regional level

5.4 OWCP District Directors

Assesses threats to district office
Assures that contingency plans are in place at district office
Assures that back-up systems are in place at district office
Directs implementation of contingency plans at district office

6. CORE BUSINESS PROCESSES

The Federal Employees' Compensation Act (FECA) provides benefits to all civilian Federal employees and certain other groups of employees and individuals injured or killed while performing their jobs. The ADP Coordination and Control Branch within DFEC has responsibility for development and operation of multiple application systems needed to process, adjudicate, and administer claims, to provide benefits and compensation to claimants, and make payments to providers. Refer to Appendix A for an overview of the primary DFEC application systems.

Three core business processes have been identified:

- Claims Processing and Adjudication
- Benefit Payment
- Information/Communications

6.1 Claims Processing and Adjudication

Claims processing and adjudication are the processes developed to receive notices of injury or occupational disease, make decisions about acceptance or rejection of initial claims, review the claim, determine benefits, calculate compensation, and review and adjudicate disputes. The following DFEC applications facilitate claims processing and adjudication:

- Case Management System
- ECAB Case Processing System
- Hearings & Review/ECAB System
- Nurse/Rehabilitation Tracking System
- On-line Query System
- Periodic Roll Management System
- Physicians Directory System
- Priority Correspondence System
- Agency Query System
- Automated CA-110 System
- Chargeback System
- Forms Correspondence System

7. RISK ASSESSMENT

Potential threats to the core business processes due to disaster or Y2K implementation failures has been grouped for planning and contingency management into three categories of failure :

1. Disaster or partial failure within systems or applications developed, maintained, and controlled by DFEC .

2. Disasters or partial failures to systems or processes controlled by the Division of Automated Systems Management (DASM).

3. Disaster or partial failures within other agencies or organizations over which DFEC has little or no control, (federal agencies, public utilities, vendors).

Appendix B provides additional information on risk assessment methodology and implications for continuity planning.

7.1 DFEC Applications

Each of the DFEC developed and maintained application systems have been evaluated based on the probability the system will fail and the impact of a failure to the business processes. Refer to Tables 7.1, 7.2 and 7.3.

Due to the emphasis being placed on Y2K testing, overall probability of failure for each application system is considered low.

Table 7-1 Risk Assessment - Benefit Payment Applications

	Probability of Failure	Impact of Failure	Risk Assessment
Automated Compensation Payment System	Low	High	Medium
DFEC Accounting System	Low	High	Medium
Medical Bill Pay System	Low	High	Medium
Retirement System	Low	Low	Low

Table 7-2 Risk Assessment - Claims Processing and Adjudication Applications

Application System	Probability of Failure	Impact of Failure	Risk Assessment
ECAB Case Processing System	Low	Low	Low
Hearings & Review/ECAB System	Low	Low	Low
Case Management System	Low	High	Medium
Nurse/Rehabilitation Tracking System	Low	Low	Low
On-line Query System	Low	Low	Low
Periodic Roll Management System	Low	Low	Low
Physicians Directory System	Low	Low	Low

Application System	Probability of Failure	Impact of Failure	Risk Assessment
Priority Correspondence System	Low	Low	Low

Table 7-3 Risk Assessment - Communications and Information Applications

Application System	Probability of Failure	Impact of Failure	Risk Assessment
Agency Query System	Low	Medium	Low/Med
Automated CA-110 System	Low	Low	Low
Chargeback System	Low	Medium	Low/Med
Forms Correspondence System	Low	Low	Low

7.2 Division Of Automated Systems Management (DASM)

DFEC is dependent upon DASM for installation and maintenance of hardware and software (Sequent Servers, the Local Area Network (LAN), and Wide Area Network (WAN)), needed for operation of DFEC applications. DASM is also responsible for providing communications hardware and software for DFEC systems and contractual agreements for operations on the SunGard mainframe.

DFEC does not have direct control over DASM plans and operations. As a primary user of DASM support and services, DFEC does influence operational procedures. The DASM Disaster Recovery Plan is currently being updated and will be reviewed by DFEC. DFEC will review plans to assure Y2K issues are addressed. Assessment have been made of the likelihood and threat of DASM system failures on 1 January 2000. Overall probability of failure is low but a failure in any hardware or software component provided by DASM would have a significant impact on core business capabilities. Table 7.4 provides the DASM risk assessment.

Table 7-4 Risk Assessment - DASM

	Probability of Failure	Impact of Failure	Risk Assessment
Sequent Computers	Low	High	Medium
LAN	Low	High	Medium
WAN	Low	High	Medium
Telecommunications	Low	High	Medium

7.3 External Systems

External dependencies have been assessed for impact to DFEC core business processes. These include:

- SunGard Mainframe
- US Treasury

- US Postal Service
- Electric Power
- Telephone

Table 7.5 provides a summary of the risk assessment of threat of failure from external support services.

Table 7-5 Risk Assessment - External Services

External Service	Core Process(es) Supported	Probability of Failure	Impact of Failure	Risk Assessment
SunGard Mainframe		Low		
	Claims Adjudication		Medium	Low
	Benefits Payment		High	Medium
	Communications		Medium	Low
US Treasury	Benefits Payment	Low	High	Medium
US Postal Service		Low		
	Claims Adjudication		Medium	Low
	Benefits Payment		High	Medium
	Communications		Low	Low
Public Infrastructure		Low		
• Electric Power	Claims Adjudication		High	Medium
• Telephone	Benefits Payment		High	Medium
• Other	Communications		High	Medium

8. RISK MITIGATION

Efforts are being taken to mitigate the possibilities of failure.

- Y2K test plans are being developed for all application systems

- Applications will be certified Y2K compliant by November 1998.

- Independent Verification and Validation (IV&V) will be conducted by an outside organization.

- DFEC will review DASM and Sungard Disaster Recovery Plans and request changes and additions if needed for assurance.

- DFEC will work with DASM to implement disaster recovery procedures and alternative processes in case of failure.

- Staff will be assigned to identify and resolve problems on January 1 and January 2 2000 prior to resumption of business on January 3.

9. RESULTS OF OCCURRENCE AND TOLERANCE LEVEL

The result and impact to the core business processes if failure were to occur has been assessed. Conclusions and the estimates of the level of tolerance if there is failure are provided in the following paragraphs.

9.1 Application Systems

An assessment has been made of impact on the core business processes if a failure were to occur in each application system. Estimates were made as to the length of time a system failure would be tolerated before alternatives would be implemented. Tables 9.1, 9.2, and 9.3 summarize the results to the business area if a system fails (results of the occurrence) and the level of tolerance.

Table 9-1 Results and Tolerance - Benefit Payment Applications

Application System	Result of Occurrence	Level of Tolerance
Automated Compensation Payment System	Daily transactions would not be created and forwarded to Treasury for payment.	Week
DFEC Accounting System	Tracking and reporting of claimant disbursements and overpayments would not be available for monitoring performance and generating Treasury reports.	1 Month
Medical Bill Pay System	Processing of medical bills and transfer of files to mainframe for payment to providers and claimants would be halted.	Week
Retirement System	New retired case information would not be automatically removed from the Case Management system and input into the online retirement system for tracking.	2 Months

Table 9-2 Results and Tolerance - Claims Processing and Adjudication Applications

Application System	Results of Occurrence	Level of Tolerance
ECAB Case Processing System	New tracking data for cases would not be input into the system. Record would have to be logged and reviewed manually. Letters and reports would not be generated.	2 Months
Hearings & Review/ECAB System	The database would not be maintained and activities would have to be tracked manually. Case files could not be requested for use by authorized users.	2 Months

Application System	Results of Occurrence	Level of Tolerance
Case Management System	Information and status of claims would not be kept current and available on line. Electronic editing of bills would not occur. Requests for payment would not be processed for transmission to Treasury.	Week
Nurse/Rehabilitation Tracking System	Database would not be updated. Online reports, if available, would not have year 2000 data inputs.	2 Months
On-line Query System	Workload monitoring reports may not be available and if available would not contain year 2000 data.	2 Months
Periodic Roll Management System	Tracking and review of long term disability cases would be more difficult. New data would not be input and reports if available would only include information through 1999.	2 Months
Physicians Directory System	Without access to data in the system, scheduling of physicians for compensation cases would be less efficient.	2 Months
Priority Correspondence System	Standard and special use letters would not be generated by the application.	2 Months

Table 9-3 Results and Tolerance - Communications and Information Applications

Application Failure	Results of Occurrence	Level of Tolerance
Agency Query System	Agencies will not have complete and accurate WEB access to information on injured workers.	Month
Automated CA-110 System	Telephone information would not be captured electronically and examiners would not be able to access the FECS application to readily obtain needed information.	Month
Chargeback System	Agencies would not have access to quarterly reports of compensation paid to claimants.	2 Month
Forms Correspondence System	Staff would not have access to electronic forms and National would not have usage reports.	2 Months

DFEC applications have been prioritized. In case of failure, resources will be allocated to bring back systems based on pre-established priority. Refer to Table 9.4.

Table 9-4 Recovery Priority

Application System	Core Process	Priority
Automated Compensation Payment System	Benefit Payment	1
Case Management System	Claims Processing and Adjudication	2
Medical Bill Pay System	Benefit Payment	3
Agency Query System	Communications and Information	4
Chargeback System	Communications and Information	5
DFEC Accounting System	Benefit Payment	6
Automated CA-110 System	Communications and Information	7
Priority Correspondence System	Claims Processing and Adjudication	8
On-line Query System	Claims Processing and Adjudication	9
Forms Correspondence System	Communications and Information	10
Nurse/Rehabilitation Tracking System	Claims Processing and Adjudication	11
Physicians Directory System	Claims Processing and Adjudication	12
Periodic Roll Management System	Claims Processing and Adjudication	13
Hearings & Review/ECAB System	Claims Processing and Adjudication	14
ECAB Case Processing System	Claims Processing and Adjudication	15
Retirement System	Benefit Payment	16

9.2 DASM Services

Table 9-5 Results and Tolerance - DASM Services

System	Results of Occurrence	Level of Tolerance
Sequent Computers	Essentially all applications will be impacted since most processing and data storage in National and District Offices is done on Sequent processors.	week
LAN WAN Telecommunications	Processing and information storage would be limited to a single machine. Data would have to be transmitted via tape or CD.	week

9.3 External Systems

DFEC core business processes are dependent upon external organizations for support and service. If any were to experience failure, the impact would be significant. Unfortunately, there are few alternatives in event of failure and costs for an interim solution would be prohibitive. Refer to Table 9.6 for a summary of the anticipated results in case of failure and the tolerance level used for planning purposes.

9.3.1 SunGard Mainframe

Primary DFEC systems (Automated Compensation Payment, Case Management, Chargeback, Medical Bill Pay) are dependent on data storage and processing on the SunGard time-share mainframe computer. Claims processing and benefit payment would

be severely impacted. Chargeback reports will not be available for agency use. DFEC will fully evaluate and test application system software installed on the SunGard mainframe as documented in the Y2K Test Plans. DFEC will review the SunGard Disaster Recovery Plan available from DASM and recommend changes where warranted. Risk of failure and inability to support DFEC processing on 1 January 2000 is low.

9.3.2 US Treasury

DFEC is dependent upon the US Treasury for disbursement of medical benefit and compensation payments to service providers and claimants If Treasury cannot disburse payment due to system failure, Office of Worker's Compensation (OWCP) benefit payments will not be distributed. Claimants and providers will not receive payment until Treasury systems are operational. For those expecting payment, there is 0 tolerance. However, there is no cost effective alternative. Disbursement will be dependent on Treasury systems becoming operational or implementation of Treasury's backup plans.

9.3.3 US Postal Service

DFEC is dependent upon the United States Postal Service (USPS) for distribution of paper checks disbursed by Treasury and for delivery of correspondence to and from agencies, claimants and service providers. If the USPS can not deliver mail, claims and inquiries to OWCP from claimants and providers cease. Benefit and compensation payments issued by check and delivered by the USPS may not be delivered until service is resumed.

9.3.4 Public Utilities

All facilities and business processes are dependent on the availability of public utilities; electric, telephone, etc. If power is not available, facilities will be shut down and all activity will cease until power is restored. Lack of telecommunications will severely restrict DFEC capabilities to provide service. There is no tolerance for lack of these services, but no viable alternative has been developed to augment disruption of these vital services.

Table 9-6 Results and Tolerance - External Systems

System	Results of Occurrence	Tolerance
SunGard Mainframe	Automated Compensation Payment, Medical Bill Pay, and Case Management service will not be provided since these systems are dependent upon mainframe processing capability. The Chargeback System will be not be operational and agencies will not receive cost reports.	One week - essential services will not be provided until systems restored.
	Processing of new data will not be possible if communications networks are not operational.	One week - data can be delivered by tape, diskette, or CD on an interim basis.
	Delivery of payment files to Treasury will be impacted	One week - delay in payment will impact clients and providers..
US Treasury	No payments made to claimants or providers.	One week - delay in payment will impact clients and providers.
US Postal Service	No written communications and delivery of benefits checks.	One week - delay in payment will impact clients and providers.
Power	Systems at a facility with a power failure will not be capable of processing data or providing service. Essentially all services will cease.	One week - all services and support at failed site will be put on hold.
Telephone	Communications between agencies dependent upon telephone lines will be unavailable; processing of new data will be restricted; online queries prohibited.	One week - all services and support dependent on telephone lines for data processing will not be provided
	Normal business conducted by telephone will be impacted. The Automated CA-110 System will be not be operational.	Lack of voice communications is an inconvenience but tolerance is higher than for loss of data communications.

10. "TRIGGERS"

An integral part of contingency planning is specifying the circumstances and conditions which will cause the contingencies plans to be invoked. This involves an assessment of the impact of each failure and how long the loss can be endured before an alternative is implemented.

In most cases, an anticipated failure greater than the level of tolerance will trigger the implementation of an alternative procedure. However, implementation will be based upon

the judgment of the site manager and the contingency management team. Decisions will be based on the expected downtown beyond the stated tolerance level. If systems can be expected to be functional within days, implementation of alternatives may be delayed beyond the tolerance level.

11. BUSINESS PROCESS CONTINUITY

Although the risk assessment and the level of tolerance vary, a failure in a DASM or external system will impact each of the core business processes. In evaluating alternatives that would allow business to continue at an acceptable level, manual processes were considered. Manual procedures would provide a minimal level of support on an interim basis. In case of DASM or external system failures, alternatives would take time to implement and result in huge expenditures. It is not feasible for DFEC to obtain hardware and communications equipment or provide alternatives for services provided by Treasury or the Postal Service.

11.1 Claims Processing and Adjudication

In case of failure that would prohibit the use of online applications, manual processes will be used on an interim basis until systems become operational.

- New claims will be accepted by mail or telephone at functioning district offices.
- Forms will be available to log and track new claims.
- Records will be stored in PC data bases until the Case Management System is operational.
- Examiners will review and adjudicate claims with available online data supplemented with hard copy of current information.
- Claims may be transmitted for payment either electronically or with written requests.

When the Case Management System comes back on-line, data generated during the period of system failure, will be entered into the appropriate online databases. Errors will be corrected and adjustments made to status or calculations.

Hard copy data entry forms and PC based tables to record claimant data and adjudication actions will be developed, distributed, and tested at each of the district offices by the end of the third quarter of 1999. Manual procedures will be provided to those responsible for interim case processing and adjudication. Each district office will be responsible for modification of work-around procedures to meet unique site specific requirements.

11.2 Benefit Payment

In the event that January or later benefits cannot be calculated and files transmitted to Treasury, payments will be made based on the December 1999 records. December 1999

data files will be stored on tape. When systems become operational benefits will be recalculated and adjusted.

Reactivation of the Medical Bill Payment System and the Automated Compensation Payment System will be given highest priority in case of multiple application failures.

11.3 Communications and Information

Although a core business process, the impact of disaster or failure in applications supporting communications and the dissemination of information will have a lesser impact to Department of Labor (DoL) personnel and claimants. In most cases, disruptions will not impact direct client support or benefits. These systems are largely repositories of data used by DoL employees and agencies processing claims. Failure would make it more difficult to have current data and will be an inconvenience to agencies and OWCP employees.

Chargeback reports are generated quarterly using information from other online databases and systems. Since the first report would be distributed at the end of March 2000, it is unlikely that the Chargeback System and dependent applications would not be functional by that time.

12. CONTINGENCY PLANNING

12.1 Application Systems

Table 12.1 provides a summary of the manual processes or alternatives to be implemented when systems are anticipated to remain inoperable beyond the level of tolerance. Refer to Table 9.4 for priorities for system recovery.

Table 12-1 Contingency Plan - Application Systems

System	Contingency Plan
Automated Compensation Payment System	Compensation payments will be made based on December 1999 records. Adjustment will be made when systems are operational.
Case Management System	If estimated time-to-repair is less than one week claims will be held for processing. If estimated time-to-repair is more than a week, claims will be entered into a manual tracking system. Adjustment will be made when systems are operational.
Medical Bill Pay System	Bills will be reviewed and edited manually by examiners. Payable amounts will be calculated by the examiner. A weekly file will be generated and sent to Sungard for payment. (This assumes an alternative file layout has been created capable of being processed by Sungard). When operational, claim data will be entered into the Medical Bill Pay system and adjustment made.

System	Contingency Plan
DFEC Accounting System	No alternative to be implemented. Files will be updated when systems are operational.
Agency Query System	No alternative to be implemented. Agencies will not be able to obtain online information on new activity
Chargeback System	No alternative to be implemented. (First Chargeback report not needed until 31 March 2000.)
Automated CA-110 System	Telephone call information will be accepted by OWCP personnel but not entered electronically into the CA-110 System.
Priority Correspondence System	Letters will be created using word processors until the system is operational.
On-line Query System	No alternative to be implemented. Queries and reports will not be available to staff.
Forms Correspondence System	Hard copies of the forms will be available for reproduction.
Nurse/Rehabilitation Tracking System	New data will be recorded on paper or put into PC files and added to the system when operational.
Physicians Directory System	New data will be recorded and tracked on paper. The database will be available for use but will not be able to accept updated information.
Periodic Roll Management System	New data will be recorded on paper.
Hearings & Review/ECAB System	Paper records of "adds" and "updates" will be maintained. They will be entered into the system when operational. Database will be available for use but will not be able to accept updates.
ECAB Case Processing System	Use available system data as backed-up and record new input on paper. Use word processors to generate letters.
Retirement System	Maintain records of new data manually. Update files when system is operational.

12.2 DASM System and Services

Many DFEC applications are dependent upon DASM provided Sequent computers for data storage and processing. If Sequent hardware or operating system software fails, there will be a shutdown of virtually all core business processes. This contingency plan is heavily dependent on the DASM disaster recovery plan.

 If a failure is site specific, the processing for the failed site will be moved to an operational site. If needed, data will be distributed using tape or Compact Disk (CD).

If the Wide Area Network fails, or if communications between the National Office or District Offices and the SunGard mainframe fail, data will be put on tape and hand-carried, mailed using the USPS, or delivered by private courier. Table 12-2 provides a summary of DASM contingency planning.

Table 12-2 Contingency Plans - DASM Services

System	Contingency Plan
Sequent Servers	DASM Disaster Recovery Plan Transfer processing to an operational site.
LAN	DASM Disaster Recovery Plan
WAN	DASM Disaster Recovery Plan
Telecommunications	DASM Disaster Recovery Plan Transfer files using tapes or CD

12.3 External Systems

For the most part, DFEC has little control over failures of external systems and few alternatives in case of failure. Table 12.3 provides a summary of the contingency plans in case of External Failures.

12.3.1 Sungard Contingency

If the mainframe fails, DASM will coordinate disaster recovery plans with SunGard. If appropriate, software and processing capability will be moved to the back-up facility. If communication between the mainframe and other systems fail, data will be downloaded to tape and delivered to the processing sites.

If Sungard experiences hardware/software failures at the main and backup sites and downtime is estimated at more than one month; DFEC applications and data could be transferred to a functioning IBM mainframe leased from another vendor. This would be an complex transition and would only be considered if estimates for recovery are unavailable or anticipated for more than a Month.

12.3.2 Treasury Contingency

Payments will not be made and there is no reasonable alternative. DoL does not have authority to issue checks or Electronic Funds Transfers (EFT). The public will be notified using appropriate and available media by Treasury or the Agency.

Payment data will be maintained on tape, and upon reactivation, data will be processed and back payments made to claimants.

12.3.3 Power

In case of extended failure at a given site, critical processing will be moved to a predetermined back-up facility. There is no planned alternative for obtaining interim power from another source.

12.3.4 Telephone

In case of failure it might be possible to switch telephone companies assuming that the problem is with a given phone system. However, unless down time is estimated to be more than two weeks, this would not be considered. Operational cellular and digital phones could be used for emergency telephone communications.

Table 12-3 Contingency Plans - External Services

External Service	Contingency Plans
SunGard Mainframe	Implement SunGard Disaster Recovery Plan. Move operations to the back-up facility. If communications fail, files will be put on tape and express mailed to destination.
US Treasury	Continue to process benefit payments and retain files. Notify public. Transmit files to Treasury when systems become operational.
US Postal Service	Implement Treasury plan for distribution of benefit payments. Employ private mail or courier services for critical correspondence.
Power	Move core operations to a functional site (if failure is anticipated to last for more than a week.)
Telephone	Use digital or cellular phones for emergency communications.

13. "ZERO DAY" PLANNING

The actions as described in the following paragraphs will be taken between 30 December 1999 and January 3, 2000 to mitigate risks and ensure systems are functioning properly prior to opening for normal business operations on Monday, January 3, 2000.

1. All DFEC application software and data will be backed-up to tape or CD.

2. Assigned technical staff will be on each site on January 1, 2000 to initiate systems and test each application based on the Zero Day Test Plan.

3. Responsible managers and the Contingency Planning Team will be notified of any identified failures or problems.

4. Estimates will be made on the time needed to resolve problems and retest the applications.

5. "On call" staff will be notified to report to work on January 1 and 2 to resolve as many problems as possible prior to start of business on January 3, 2000.

6. Based on the OMB or departmental communication plan , employees will be notified on January 2, 2000 if they are not to report to work on January 3 due to specified failures at each site.

14. COMMUNICATIONS PLAN

The Contingency Plan Team members are the focal points for the communication of failures, and the execution and coordination of contingency plans. The contingency planning team leader at each site will coordinate assessment of Y2K failures on January 1 and January 2. An assessment will be made of each failure including the estimated time to repair and the resources required. Information will be provided and consolidated at the National Office. The Chief of the ADP Coordination and Control Branch and the Deputy Director, Division of Federal Employee Compensation will coordinate contingency activities.

Regional and District Directors will be notified of decisions and actions. Employees and claimants will be notified of building closure and reopening by phone or local media as applicable.

15. RESOURCE PLAN

15.1 Business Resumption Team

A full assessment will be made by the Contingency Management Team on the morning of January 3, 2000. Based upon the extent of failures, the level of tolerance and availability of resources, contingency plans will be initiated on January 3, 1999

15.2 Roles and Responsibilities

Resource Planning in case of failure will be at the National Office and also at each of the District Offices.

National Office will have staff allocated and priorities established for problem isolation, problem resolution, regression testing, and reactivation of all failed systems.

Based on guidelines for implementation of manual intervention established by the National Office and with guidelines and procedures established by District Office directors, each District Office will identify and train employees for operations under disaster recovery plans.

16. CONTINGENCY PLAN TESTING

Contingency Test Plans and Procedures will be developed for each site and reviewed and approved by the Contingency Management Team. Testing will be conducted to assure there will be a capability to deliver critical services in case of system failure.

Contingency plans, where feasible, will be tested during the third quarter of calendar year 1999.

**APPENDIX A
SYSTEM OVERVIEWS**

SYSTEM OVERVIEWS

1. AGENCY QUERY SYSTEM

The Agency Query System (AQS) is a web based query system that allows authorized agency users to access information on that agencies injured workers. The Agency Query System allows users to query case status information, compensation and medical bill payment history, and medical authorizations for physical therapy. Available data is loaded to the system from District Office databases every night.

2. AUTOMATED CA-110 SYSTEM

The Automated CA-110 System is a stand-alone system accessed through the Federal Employee Compensation System (FECS) Applications Main Menu. Telephone call information to be transcribed on the form CA-110 is captured while the caller is still on the telephone. Additional case information such as the Automated Compensation Payment System (ACPS) history, medical history, and claim detail is accessed automatically through function keys. The claims examiner may "hot key" back and forth between the Automated CA-110 System and the FECS application with minimum work interruption. This system allows District Office personnel to verify, record, and respond to telephone calls more efficiently.

3. AUTOMATED COMPENSATION PAYMENT SYSTEM

The Automated Compensation Payment System is an on-line and batch system for creating, modifying and deleting disability payment records. All payment transactions are created on-line, edited at the District Offices, and transmitted nightly to the Sungard mainframe. At the mainframe, payment data is edited for potential duplicate payment. Valid payments are formatted for transmission to the Department of Treasury for disbursement of funds. Full payment history is maintained at the mainframe. Six months of payment history for each claim is maintained at the District Offices.

4. CASE MANAGEMENT SYSTEM

The Case Management System (CMS) is an on-line batch system used to record basic information on DFEC claimants and the status of their claims for compensation. Information is received and recorded at DFEC District Offices. The information recorded includes: the claimant name and address; the employing agency; the date and nature of the injury, and the status of the claim as it is adjudicated. .Data on new claims and all changes to existing claims are transmitted to the DFEC timeshare SunGard mainframe nightly. The mainframe data is used to produce monthly reports. It also serves as a backup in case District Office data needs to be restored.

Bills transmitted to the mainframe are edited against the full billing history for potential duplicate payments. Payable bills are formatted and submitted to Treasury weekly. Full bill history is retained at the mainframe. One year of billing payment history for each claimant is retained at the District Office.

APPENDIX A
SYSTEM OVERVIEWS

5. CHARGEBACK SYSTEM

The Chargeback System, on the SunGard mainframe, tracks payments to service providers and compensation paid to employees of each agency. Periodic reports are generated to notify agencies of the costs incurred and to be reimbursed to the Department of Labor for workers' compensation claims administered by the Office of Workers' Compensation Programs.

6. DFEC ACCOUNTING SYSTEM

The DFEC Accounting system is used to track claimant overpayments and to record all disbursements of funds for compensation and all receipts applied to the compensation fund. On the accounts receivable side, a series of programs is used to establish the receivable and record all adjustments to the receivable record. The adjustments include changes to claimant information, increases in the debt amount through the posting of interest or other adjustments, and decreasing the amount of the debt through posting the receipt of cash from the claimant or through a waiver, compromise or write-off of all or part of the debt. All data is entered and retained at the District Offices. Monthly reports are generated on the Sequent system and transmitted to the National Office. The reports are used for monitoring District Office performance and for the generation of reports for the Department of Treasury.

The Fund Control, a subsystem of the Accounting System, is a series of programs used to track disbursements (compensation and medical bill payments) and receipts (cash receipts, canceled checks, On-line Payment and Collection (OPAC) receipts) in each District Office.   The collected data is used monthly to prepare the SF-224, Statement of Disbursements and Collections, required by the Department of Treasury. Data from SF-224 is transmitted to the National Office on a monthly basis, combined with data from the accounts receivable system and reported to the departmental accounting system.

7. EMPLOYEE COMPENSATION APPEALS BOARD (ECAB) CASE PROCESSING SYSTEM (CPS)

The ECAB/CPS is a client server based system which is designed to track a case from the time it is assigned a docket number to the time that it is closed and sent to the archives. The ECAB/CPS System consists of a series of programs which, in addition to adding a case, allows the existing records to be queried and updated, using a series of status update procedures. Automatic letters are generated and a series of reports can be requested, in addition to the automatic follow-up reports that are produced by the system.

8. FORMS CORRESPONDENCE SYSTEM

The Forms Correspondence System (FCS) is a Sequent-based application that allows staff to generate official Office of Workers' Compensation (OWCP) and DFEC forms and letters. The forms that can be generated are maintained by OWCP/DFEC. In addition to the batch generation of the CA-1008 and the CA-1208 forms, a Correspondence Guide Query feature

allows the viewing and/or printing of generic versions of each form and/or letter. The system provides the capability of reprinting a previously generated form for up to a week after the original generation date. A Forms Usage Report is produced for the National Office to monitor forms usage across District Offices.

9. HEARINGS & REVIEW/ EMPLOYEE COMPENSATION APPEALS BOARD (ECAB) SYSTEM

The Hearings & Review/ECAB System consists of software programs used to track cases being appealed to the Branch of Hearings and Review or to the Employees' Compensation Appeals Board. The system provides the ECAB the ability to request case files from district offices. The programs enable authorized users to add, update, and query records in the database and to produce various reports. Case movements and actions by OWCP staff are tracked using various codes and associated dates from the time of the initial appeal request to final disposition.

10. MEDICAL BILL PAY SYSTEM

The Medical Bill Pay System is an on-line and batch system for processing medical bills submitted by claimants or medical providers for medical services related to the claimant's work related injury. Medical bills are received and data entered at the District Offices. All bills are edited at the District Office and potentially payable bills or line items from bills are transmitted on a nightly basis to the Sungard mainframe. Denied bills or bill line items are retained at the District Offices and notices of the denials are issued from there to the claimant or provider.

11. NURSE/REHABILITATION TRACKING SYSTEM

The Nurse/Rehabilitation Tracking System is a set of software programs designed to support the life cycle processing of both nurse intervention and vocational rehabilitation cases. From the point of case referral through final case closure, this system provides a tool for rapid review of case, counselor and nurse progress. The system maintains a database containing information on all cases referred to the nurse intervention and vocational rehabilitation programs. Authorized staff can add, update, view, browse and report selected cases as required. The system provides on-line and hard copy reports for reviewing case, agency, rehabilitation specialist, nurse, and counselor progress in the case management return-to-work process.

12. ON-LINE QUERY SYSTEM

The On-Line Query System (OQS) is a client server based report generation system. It contains "canned" workload monitoring reports that can be used by claims examiners and office management to identify claims that are approaching various deadlines in the claims adjudication process. These reports are available to all claims staff to assist in the management of their workload. A second set of management reports allows office management to produce reports for federal agencies that provide them feed back on the timeliness of their submissions to DFEC.

APPENDIX A
SYSTEM OVERVIEWS

13. PERIODIC ROLL MANAGEMENT SYSTEM

The Periodic Roll Management System is a series of on-line programs and batch reports used to track the District Office review of selected long term disability cases. The selected claims are reviewed to determine if any conditions related to the disability have changed, or if additional information or medical reviews are required. All actions taken during the review are recorded and the outcome of each review is tracked. Monthly and quarterly reports on the outcome of the reviews are generated at District Offices and at the National Office.

14. PHYSICIANS DIRECTORY SYSTEM

The Physician Directory System is a set of software programs designed to support scheduling of physicians on workers compensation cases within the Office of Workers' Compensation (OWCP). The system is designed to assist staff in: (1) reducing scheduling time for impartial medical and second opinion examinations of workers' compensation cases, (2) ensuring consistent rotation and selection of physicians in impartial medical examinations (IME) cases and (3) maintaining information necessary to facilitate prompt payment for physician services. The system also maintains an appointment log database identifying the appointment and billing status of each visit scheduled.

15. PRIORITY CORRESPONDENCE SYSTEM

The Priority Correspondence System is a District Office web based system allowing District Offices to develop and maintain standard letters used by the office as part of the claim adjudication process. One part of the system provides the District Offices with non-modifiable, standard, National Office approved letters. The second part of the system allows District Offices to create their own special use letters for situations not covered by the National Office letters. The system is computer graphic interface (CGI) hyper-text markup language (HTML) based and designed to replace word processor based systems requiring extensive upgrades whenever new versions of the word processing software is installed.

16. RETIREMENT SYSTEM

The Retirement System provides access to case information for retired cases. It is an on-line batch system serving as a vehicle for the automated retirement or destruction of DFEC Case Management data. The user supplies the criteria and parameters in the front end process by accessing the FECS applications main menu. The parameters are transmitted to the mainframe producing reports of eligible purges, a file for updating the District Office database, and reports of ineligible cases which have not been purged and the reason. Once the case sets are either retired or destroyed, the physical case files are either sent to the Federal Records Center in St. Louis or purged of all material, with the exception of the CA-800, and retained at the appropriate District Office.

APPENDIX A
SYSTEM OVERVIEWS

APPENDIX B
RISK ASSESSMENT

1

APPENDIX B
RISK ASSESSMENT

Risk assessment is based upon the probability of a system failing and the impact of the failure on the core business processes. Contingency planning will focus on those systems with the highest risk assessment. Table 1 provides the combinations of probability of failure and impact of failure that would result in a high, medium, or low risk assessment.

Table 1 Risk Assessment

Probability of Failure	Impact of Failure	Risk Assessment
High	High	High
High	Medium	High
Medium	High	High
Medium	Medium	Medium
High	Low	Medium
Low	High	Medium
Low	Low	Low
Medium	Low	Low
Low	Medium	Low

If risk assessment is high:

- The probability of system failure is high.
- If alternative services can not be provided, impact to customers will be severe.
- Maximum resources will be allocated to assure that the system will operate as expected.
- Detailed contingency plans will be developed to enable DFEC to provide services and support in case of system failure.
- Alternative means of providing service will be implemented immediately.

If risk assessment is medium:

- The probability of system failure is medium.
- Customers are likely to be inconvenienced by lack of service.
- Resources will be allocated to fix problems on an availability basis.
- Contingency plans will be developed to enable DFEC to provide services and support in case of system failure.
- An alternative means of providing service will be implemented within a predetermined time period.

If risk assessment is low:

- The probability of system failure is low.
- The impact on customers is negligible; some customers may be inconvenienced.

1

- Resources will be allocated only after problems have been resolved on systems with high or medium customer impact.
- Alternative means of providing support and service will likely not be implemented; service will be resumed when system becomes operational.

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